

REMARKS/ARGUMENTS

Claims 2-9, 12-16 and 25-28 are currently pending in the application. Claims 2-9, 12-16 and 25-28 were rejected in the Office Action mailed December 18, 2008 (hereinafter referred to as "Office Action"). Applicant hereby requests a three month extension of time to respond to the Office Action until June 18, 2009. This response is being filed with a credit card authorization to pay the required fees. The Commissioner is hereby authorized to charge any additional fees, or credit any refunds, to Chalker Flores, LLP's Deposit Account No. 50-4863. In view of the following remarks and amendments, applicant respectfully request a timely Notice of Allowance be issued in this case.

Claim Rejections under 35 U.S.C. § 103(a)

Claims 2-9, 12-16 and 21-27 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Care Entrée in <http://web.archive.org/web/20011130030647/http://carentree.com> (2001) in view of Ferguson et al. (U.S. Patent No. 5,819,092), in view of Lipton et al. in "Pharmacy benefit management companies: Dimensions of performance", *Annual Review of Public Health*, Vol. 20, p. 361 (1999), and further in view of Goch in "A New Card Deal", *Best's Review*, Vol. 103, Iss. 3, p. 73 (2002). Applicant respectfully submits that claims 2-9, 12-16 and 21-27, as amended, are patentable over the cited references for at least the reasons described below.

Claims 26-28

The Office Action indicated that Ferguson teaches where each member can only access the published rates for the geographic area associated with the member in col. 3, lines 42-55. (page 11, lines 7-8). The cited portion of Ferguson states:

Four different types of commercial transactions might commonly occur in a commercial online service. First, a user may be charged for the right to access all or parts of a useful publicly accessible online system. Second, the online service may pay the user for performing some type of action such as winning a contest or completing a marketing survey. Third, an online service may charge a content provider for placing certain information on the online service. For example, a content provider can be charged for placing an advertisement on the online service. Finally, a content provider can be paid by the online service for providing information that users may wish to access, can be can be provided on a for-fee basis. Conversely, an online service provider may wish to pay third party content providers for placing useful material on the online service.

Applicant fails to see how this portion of Ferguson teaches that "each member can only access the published rates for the geographic area associated with the member" as recited in claims 26-28. As a result, applicant respectfully submits that Ferguson does not cure all the stated deficiencies of Care Entrée.

The Office Action indicated that Care Entrée provides a price list of services specific to a geographical region in paragraphs 47 and 48. (page 21, lines 5-8). The cited portion of Care Entrée states (emphasis added):

Prices may vary from one geographical location to another, **but on an average the following examples are what you can expect.**

- Comprehensive Oral Exam: \$ 10.00
- X-rays-Bitewing-Single Film: \$ 5.00
- Teeth Cleaning: \$ 21.00
- Crown Porcelain Fused to High Noble Metal: \$352.00
- Root Canal-Bicuspid (Excluding Final Restoration): \$215.00
- Complete Denture Maxillary: \$398.00
- Comprehensive Orthodontic Treatment of the Adolescent Dentition (In most states, price may vary): \$1990.00

Applicant respectfully submits that these portions of Care Entrée are merely advertising. The rates for specific medical providers are not shown. A geographic area is not identified. Moreover, there is no indication that each member can access the prices of various medical providers in any given area. As a result, applicant respectfully submits that this portion of Care Entrée does not disclose, teach or suggest a "discount price list comprises published rates for the services/goods provided by each medical service/good provider within two or more geographic areas and each member can only access the published rates for the geographic area associated with the member" as recited in claims 26-28.

The Office Action indicated that Lipton teaches the discount price list regulates the cost of services/goods provided to the members by the medical service/good provider such that the members pay the medical service/good providers in paragraph 30. (page 11, lines 16-18). The cited portion of Lipton states:

On the other end of the continuum, there are true "carve-out PBMs," wherein employers, business coalitions, unions, and other clients contract separately with the PBM and the managed care organization or insurer (see Figure 1). Under these arrangements, the payers (insurers and health plans) and the PBM are financially independent of one another, that is, the drug premium is not funneled through the health plan or insurer, but rather is paid directly to the PBM. Theoretically it can be argued that, under this type of "true" carveout arrangement, there is a minimal probability of aligning financial/clinical incentives across pharmacy and medical services. Indeed, there is the potential for "perverse" incentives (i.e. incentives for the health plan and the PBM to shift costs to one another). Such untoward consequences could be mitigated if the benefits administrator is able to merge pharmacy and medical databases.

Applicant fails to see how this portion of Lipton teaches that "the discount price list regulates the cost of services/goods provided to the members by the medical service/good

provider such that the members pay the published rate on the discount price list for the services/goods rendered by the medical service/good provider” as recited in claims 26-28. As a result, applicant respectfully submits that Lipton does not cure all the stated deficiencies of Care Entrée and Ferguson.

The Office Action indicated that Goch teaches a method where the payment in full directly for any services/good rendered to the members based on the discount price list in paragraph 20. (page 11, lines 21-22). The cited portion of Goch states:

Care Entre also assists members who don't opt for the high-- deductible major-medical coverage in locating the lowest rates for hospital procedures. Members notify the plan for precertification, and an appropriate hospital is located. The member is asked to place \$1,000 into an escrow account or on a major credit card. "We don't want the message to be 'you can't afford it-too bad.' We do our best to uncover financial issues up front and resolve them before the procedure," Collins said.

Applicant respectfully submits that placing \$1,000 into an escrow account or on a major credit card does not disclose, teach or suggest that “the members pay the published rate on the discount price list for the services/goods rendered by the medical service/good provider in-full directly to the medical service/good provider at the time the services/goods are rendered to the members by the medical service/provider thereby providing direct, immediate and full payment to the medical service/provider without any review by the health care plan or a third-party” as recited in claims 26-28. As a result, applicant respectfully submits that Goch does not cure all the stated deficiencies of Care Entrée, Ferguson and Lipton.

The Office Action concluded that the simple substitution of one known element for another producing a predictable result renders the claim obvious. (page 21, lines 20-21). Applicant respectfully submits the cited references do not disclose all of the recited elements in claims 26-28 for at least the reasons stated above. As a result, there is no simple substitution of known elements in this case.

Moreover, applicant respectfully submits that it would not have been obvious to one of ordinary skill in the art at the time the invention was made to provide members with a medical service/good provider listing containing basic and premium listings for the medical service/good providers such that “the discount price list regulates the cost of services/goods provided to the members by the medical service/good provider such that the members pay the published rate on the discount price list for the services/goods rendered by the medical service/good provider in-full directly to the medical service/good provider at the time the services/goods are rendered to the members by the medical service/provider thereby providing direct, immediate and full payment to the medical service/provider without any review by the health care plan or a third-party” as recited in claims 26-28 because the insurance, HMO, PBM, and PPO industries teach against any sort of favoritism or competition among medical service/good providers offered directly to individuals within their networks. Even the Care Entrée program negotiates the prices

directly with the medical providers to get the same discounts as the insurance, HMO, PBM, and PPO entities. The Care Entrée program does not allow or promote competition among medical providers. Finally, these programs require large amounts of staff, paperwork and oversight that is eliminated by the inventions recited in claims 26-28.

For at least the reasons stated above, applicant respectfully submits that Care Entrée, Ferguson, Lipton and Goch, either alone or in combination, do not disclose, teach or suggest every element recited in claims 26-28. Accordingly, applicant respectfully submits that claims 26-28 are not obvious over Care Entrée, Ferguson, Lipton and Goch and are, therefore, allowable under 35 U.S.C. § 103(a). Applicant respectfully requests that the rejection of claims 26-28 be withdrawn.

Claims 2-9, 12-16 and 21-25


Applicant respectfully submits that claims 2-9, 12-16 and 21-25 depend from claim 26, as amended, which is allowable for the reasons stated above, and further distinguish over the cited references. Claims 2-9, 12-16 and 21-25 are, therefore, allowable under 35 U.S.C. § 103(a). Accordingly, applicant respectfully requests that any rejection of claims 2-9, 12-16 and 21-25 be withdrawn.

Conclusion

For the reasons set forth above, applicant respectfully requests reconsideration by the examiner and withdrawal of the rejections. Applicant submits that claims 2-9, 12-16 and 25-28, as amended, are fully patentable. Applicant respectfully requests that a timely Notice of Allowance be issued in this case. If the examiner has any questions or comments, or if further clarification is required, it is requested that the examiner contact the undersigned at the telephone number listed below.

Date: June 18, 2009

Respectfully submitted,
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